

Agency Overview

The Department of Insurance is a regulatory agency created to regulate the business of insurance in Idaho. State regulation of Idaho's insurance business began in 1901 and in 1961 the present Department of Insurance was created. When the Executive branch of state government was reorganized in 1974, the Department of Insurance became one of the twenty major departments of the Executive branch. The director of the department is appointed by the governor and is subject to confirmation by the state senate.

The mission of the Department of Insurance is to equitably, effectively and efficiently administer the Idaho Insurance Code and the International Fire Code. To that end, the department is organized into two divisions and three regulatory bureaus. The director, Gary L. Smith, is supported by the deputy director, Shad Priest, and the department administrative functions. The Company Activities Bureau monitors the financial condition of all insurance entities conducting business in the state of Idaho to assure that each complies with Idaho law and that the financial obligations of the company to its policyholders will be met. The bureau also reviews insurance policy rates and form and collects and audits all insurance premium tax returns. The Company Activities Bureau chief is Georgia Hill. The Consumer Services Bureau licenses producers and administers the applicable continuing education program for the resident producers, in addition to licensing third party administrators, adjustors and managing general agents. The bureau analyzes consumer and industry complaints and provides assistance to consumers, the insurance industry and law enforcement agencies on matters involving insurance contracts and potential violations of the Insurance Code and criminal fraud. Information, counseling and assistance are provided to Idaho's senior citizens (SHIBA) through a network of over 300 senior citizen volunteers and a toll free 800 number. The Consumer Services Bureau chief is Jim Genetti. The State Fire Marshal's office participates in and coordinates an integrated statewide system designed to protect human life from fire and explosions through fire prevention, investigation and public education activities. The program involves fire prevention activities, fire/arson investigations, code enforcement and the operation of the Idaho Fire Incident Reporting System. The State Fire Marshal is Mark Larson.

The main office of the Idaho Department is located on the third floor of the JRW building in Boise. The department also has offices in Twin Falls, Pocatello, Idaho Falls and Couer d'Alene. The department has been appropriated 71.5 FTE (full time equivalent) personnel for FY2006. The State Fire Marshal has 6 FTE's in Boise, 2 FTE's in Idaho Falls, 1 in Lewiston and 1 in CdA. The Consumer Services Bureau has 2 SHIBA FTE's in Twin Falls, 1 SHIBA FTE and 1 consumer affairs officer in Pocatello, 1 SHIBA FTE and 1 consumer affairs officer and 1 fraud investigator in CdA.

While the department collects in excess of \$80 million in Premium Taxes from the insurance companies, none of those funds are used to support Agency operations. The Agency is funded entirely by fees collected for licensing producers and companies doing business in Idaho.

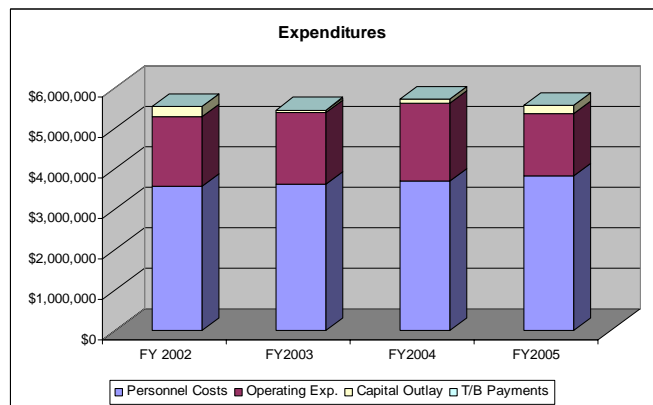
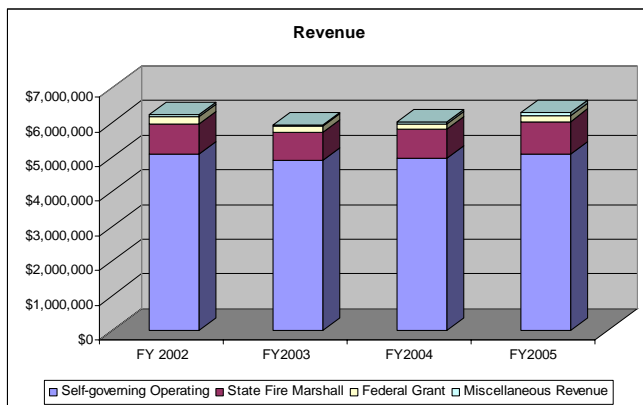
Core Functions/Idaho Code

Insurance Division – Regulates the insurance industry in Idaho. Assists public with insurance complaints and inquiries, investigates insurance fraud, reviews insurer rate and form filings, reviews qualifications of insurance agents/brokers and insurers seeking licensing to do business in Idaho, reviews financial solvency of insurers doing business in Idaho, and administers and collects insurance premium tax. Title 41, Idaho Code.

State Fire Marshal's Office – Assists local governmental entities and fire districts in fire investigation and prevention activities, and responsible for fire and life safety issues in state owned buildings. Title 41, Chapter 2, Idaho Code.

Revenue and Expenditures

Revenue	FY 2002	FY 2003	FY 2004	FY 2005
Self-governing Operating	\$5,091,800	\$4,894,600	\$4,968,800	\$5,091,400
State Fire Marshall	\$859,700	\$833,300	\$842,000	\$939,000
Federal Grant	\$204,000	\$154,800	\$154,800	\$168,600
Miscellaneous Revenue	\$58,700	\$47,200	\$63,300	\$85,400
Total	\$6,214,200	\$5,929,900	\$6,028,900	\$6,284,400
Expenditure	FY 2002	FY 2003	FY 2004	FY 2005
Personnel Costs	\$3,568,500	\$3,618,000	\$3,699,400	\$3,826,700
Operating Expenditures	\$1,720,200	\$1,779,700	\$1,912,400	\$1,523,900
Capital Outlay	\$255,100	\$51,100	\$106,900	\$207,700
Trustee/Benefit Payments	\$2,400	\$2,500	\$2,500	\$2,500
Total	\$5,546,200	\$5,451,300	\$5,721,200	\$5,560,800



Profile of Cases Managed and/or Key Services Provided

Cases Managed and/or Key Services Provided	FY 2002	FY 2003	FY 2004	FY 2005
Company Activities Bureau				
Examinations Performed	8	14	5	5
Companies Admitted/Listed	86	75	72	78
Companies Withdrawn/Suspended/Rvkd	52	47	53	26
Total Companies Regulated	1,787	1,819	1,765	1,834
Title Exams Performed	15	23	20	5
Premium Taxes Collected	\$65,933,682	\$71,487,392	\$78,391,660	\$81,117,984
Policy Forms Filed	49,595	50,335	46,797	44,066
Consumer Services Bureau				
Producer licensing applications rec'd	8,223	9,732	11,108	10,384
Producer licenses issued	9,588	8,526	10,880	10,039
Continuing Ed courses rec'd	1,821	2,086	1,888	2,193
Consumer Affairs – Complaints rec'd	1,651	1,341	1,396	1,284
Consumer Affairs – Telephone Inquiries	12,246	11,645	11,543	10,507
Consumer Affairs – Funds recovered	\$2,389,800	\$1,150,900	\$1,330,000	\$1,512,000
SHIBA – Individual counseling hours	1,925	2,606	4,410	3,708
SHIBA – Audience group sessions	266,195	91,402	106,003	239,470
SHIBA – Telephone inquiries	20,385	21,453	25,018	24,363
SHIBA – Medicare funds recovered	\$487,800	\$788,000	\$1,152,800	\$896,100
Investigations – New cases	278	247	288	253
Investigations – Cases referred	45	64	69	73
Investigations – Convictions	34	35	35	17

Cases Managed and/or Key Services Provided	FY 2002	FY 2003	FY 2004	FY 2005
Investigations - Property recovered State Fire Marshal	\$6,200,000	\$7,300,000	\$10,900,000	\$8,500,000
Official Contacts	754	1,986	1,780	1,464
Fire Investigations	97	127	91	111
Fire Code Inspections	103	109	114	137
Sprinkler Plan Reviews	270	217	359	192
Classes Taught	23	30	25	19

For More Information Contact

Tom Wilkerson
 Department of Insurance
 700 West State Street
 P.O. Box 83720
 Boise, ID 83720-0043
 Phone: (208) 334-4266
 E-mail: Tom.Wilkerson@doi.idaho.gov